

**Report on the Quality Assessment Review of the  
Investigative Operation of the Office of Special Inspector  
General for the Afghanistan Reconstruction**

**Conducted at  
Arlington, Virginia and Kabul, Afghanistan**

**by  
Offices of Inspector General of  
Tennessee Valley Authority  
Department of Defense  
Department of State  
Department of Interior  
Department of Agriculture  
Agency for International Development**

**The Honorable Richard W. Moore  
Inspector General, TVA**

**July 2010**

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# Report on the External Quality Assessment Review

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July 14, 2010

**Via Electronic Transmission**

**General Arnold Fields  
Special Inspector General for Afghanistan Reconstruction  
2221 South Clark Street  
Suite 800  
Arlington, Virginia 22202**

**Subject:** *Report on the Quality Assessment Review of the Investigative Operations of the Office of Inspector General for the Special Inspector General for Afghanistan Reconstruction (SIGAR)*

Dear General Fields:

We have reviewed the system of internal safeguards and management procedures for the investigative function of the Office of Special Inspector General for Afghanistan Reconstruction in effect for the period ended April 16, 2010. Our review was conducted in conformity with the PCIE/ECIE Quality Standards for Investigations, the Quality Assessment Review guidelines established by the Council of the Inspectors General on Integrity and Efficiency, and the Attorney General's Guidelines for Office of Inspectors General with Statutory Law Enforcement Authority, as applicable.

We reviewed compliance with SIGAR's system of internal policies and procedures to the extent we considered appropriate. The review was conducted at the headquarters office in Arlington, Virginia. Additionally, we reviewed all case files for investigations closed since the inception of SIGAR's investigative function (Attachment Two – Listing of Sampled Closed Investigations Files).

In performing our review, we have given consideration to the prerequisites of Section 6(e) of the Inspector General Act of 1978 (as amended) and Section 812 of the Homeland Security Act of 2002 (Pub.L. 107-296). Those documents authorize law enforcement powers for eligible personnel of each of the various offices of presidentially appointed Inspectors General. Those powers may be exercised only for activities authorized by the Inspector General Act of 1978, other statutes, or as expressly authorized by the Attorney General.

In our opinion, the system of internal safeguards and management procedures for the investigative function of SIGAR in effect for the period ended April 16, 2010, was not in compliance with the quality standards established by the PCIE/ECIE, the CIGIE, and the Attorney General guidelines. Our opinion is based on the 10 reportable findings provided to you in Attachment One which represent weaknesses and opportunities for improvement. In our view, the safeguards and management procedures in this organization did not provide reasonable assurance of conforming with professional standards in the conduct of its investigations from the inception of SIGAR to April 16, 2010. Your comments, dated July 9, 2010, are included as Attachment Three.

While we find that SIGAR was not in compliance as outlined above, the review team has concluded that the implementation of new policies and procedures along with remediation of the findings are likely to result in full compliance in the near future and in all likelihood in less than six months. You and your staff exhibited a complete willingness to embrace opportunities for improvement and to implement recommendations as quickly as possible.

This report is being forwarded to the Attorney General of the United States pursuant to applicable law for action he may deem appropriate.

Finally, I want to extend my sincere gratitude to you and your staff for the professionalism and courtesies extended to the review team both in Arlington, Virginia, and particularly in Kabul, Afghanistan. Our in-country review in Afghanistan demonstrated to me personally the critical nature of the work being done by SIGAR personnel in a volatile war zone environment.

Sincerely,

A handwritten signature in blue ink, appearing to read "Richard W. Moore". The signature is fluid and cursive, with the first name "Richard" being more prominent.

Richard W. Moore  
Chair, Investigations Committee  
Council of the Inspectors General  
on Integrity and Efficiency

Enclosure

## FINDINGS

1. Investigations Directorate Policies and Procedures: In sum and substance, there were nearly no official investigative policies and procedures in place prior to March 2010 and, therefore, no investigative activities in compliance therewith. Policies and procedures found in the “*SIGAR Agent Manual*” were almost entirely verbatim copies of policies and procedures borrowed from the Special Inspector General for Iraq Reconstruction (hereafter SIGIR). Many of these borrowed policies and procedures bore watermarks (evidently as received from SIGIR) indicating they were in draft form. Policies not coming from the SIGIR manual were largely formulated and formally adopted in the weeks immediately preceding the Quality Assessment Review (QAR) and were virtual mirrors of the QAR standards which lacked implementation processes. This finding covers the period prior to March 25, 2010, and applies to every aspect of the standardized CIGIE *Qualitative Assessment Review Guidelines for Federal Offices of Inspector General* (May 2009) (Appendices B and C-1).
2. The *Attorney General Guidelines for Offices of Inspector General with Statutory Law Enforcement Authority* (2003) (Section IV(A)) require that OIGs certify that individuals exercising law enforcement powers have completed Basic Criminal Investigator Course at Federal Law Enforcement Training Center (FLETC) or a comparable course of instruction. SIGAR’s Investigations Directorate effectively began in early 2009 with two investigators and later, in the fall of 2009, an Acting Assistant Inspector General (Investigations) (A-AIGI). One of the two investigators had received academy-level training. Neither the other investigator nor the A-AIGI, both experienced licensed attorneys, had received such training. This is considered worthy of note in the context of the truncated period of review. In effect, half of the investigators (n=1) for roughly half the operational duration of the agency’s existence (seven months) did not meet the law enforcement training requirements set forth in the *Attorney General Guidelines for Offices of Inspector General with Statutory Law Enforcement Authority* (2003) (Section IV(A)). The QAR team did note, however, that all of the more recently hired investigators have had academy-level training and are generally very experienced criminal investigators. SIGAR’s current practice and recently adopted policies do comply with this requirement.
3. The *Attorney General Guidelines for Offices of Inspector General with Statutory Law Enforcement Authority* (2003) (Section IV(A)) also require that the OIG provide periodic refresher training to its agents. SIGAR’s Investigations Directorate had no infrastructure which captured specific training received during the review period, and as such, there were insufficient training records to substantiate agency-wide compliance with this standard. No clear anecdotal evidence mitigated this finding.
4. The *Attorney General Guidelines for Offices of Inspector General with Statutory Law Enforcement Authority* (2003) (Section IV(B)) require that eligible individuals receive initial and periodic firearms training and recertification in accordance with FLETC standards. SIGAR’s Investigations Directorate had no infrastructure which captured firearms training received during the review period, and as such, there were insufficient training records to substantiate agency-wide compliance with this standard. No clear anecdotal evidence mitigated this finding.

5. The *Attorney General Guidelines for Offices of Inspector General with Statutory Law Enforcement Authority* (2003) (Section IV(C)) require that OIGs receive training on and adopt Department of Justice (DOJ) deadly force policy. SIGAR's Investigations Directorate had no infrastructure which captured training received relating to the DOJ deadly force policy during the review period. As such, there were insufficient training records and no clear anecdotal evidence to substantiate agency-wide compliance with this standard.
6. The *Quality Standards for Investigations*, Qualitative Standards, Section A, p. 8, require that OIG investigative organizations establish organizational and case specific priorities and develop objectives to ensure that individual case tasks are performed efficiently and effectively. SIGAR's Investigations Directorate lacked an adopted, documented and agency-wide prioritization document during nearly all of the review period.
7. The *Quality Standards for Investigations*, Qualitative Standards, Section A, p. 8, also require a basic, single-source planning document that presents the organization's goals, allocation of resources, budget guidance, performance measures, and a guide for managers to implement these plans. SIGAR had not, at the time of onsite review, adopted such a planning document in the form of a Strategic Plan or other similar instrument.
8. The *Quality Standards for Investigations*, Qualitative Standards, Section D, pp. 12, 13, require that an organization have an organizational component responsible for record maintenance and specific procedures to be performed. SIGAR did not, prior to the review, have such a component identified. This standard is in the context of information management standards which dictate that investigative data be stored in a manner allowing effective retrieval, cross-referencing, and analysis. Prior to late November 2009, files were practically maintained in raw form in Afghanistan. In November 2009, a simple but generally effective and efficient case management system was developed at SIGAR's headquarters. Though no policy was put in place at the time, a practice did develop which sufficiently centralized information management functions. The most debilitating variable in this regard noted by the peer review team, and shared by SIGAR management, is the lack of an electronic file maintenance system. The team noted that SIGAR management is aggressively pursuing the identification of such a system, and information management issues are likely to diminish rapidly following adoption and deployment.
9. The *Quality Standards for Investigations*, Qualitative Standards, Section D, pp. 13, 14, require that an organization's management information system collect the data needed to assist management in performing its responsibilities, measuring its accomplishments, and responding to external customers. SIGAR's Investigations Directorate information management system did not exist in any identifiable capacity until approximately late November 2009. While the file management system created in November 2009 is adequate for day-to-day operations, the system at the time of review lacked the power to assist management in the conduct of its responsibilities. As noted above, the peer review team universally agreed that the adoption and deployment of a functional electronic information system would reduce SIGAR's information management related issues.
10. The *Quality Standards for Investigations*, Qualitative Standards, Section D, p. 14, require that case files be established immediately upon the opening and assignment of investigations. SIGAR's Investigations Directorate file management system was not in place until November 2009. As such, beyond "working files" maintained by investigators in the field, it was impossible for the peer review team to independently validate compliance with this standard. However, the peer review team did note that practices in place by the time of the onsite review did comply with this requirement.

## Attachment 2

### **Listing of Sampled Closed Investigations Files:**

1. 100-AF-0001
2. 500-AF-0002
3. 100-AF-0003
4. 300-AF-0004
5. 200-AF-0005
6. 200-AF-0006
7. 200-AF-0008
8. 200-AF-0009
9. 200-AF-0010
10. 600-AF-0011
11. 300-AF-0012
12. 600-AF-0013
13. 300-AF-0014
14. 100-AF-0015
15. 200-AF-0016
16. 300-AF-0017
17. 600-AF-0018
18. 200-AF-0019
19. 200-AF-0020
20. 600-AF-0021
21. 902L1-AF-0022
22. 300-AF-0023
23. 911HL-AF-0024
24. 200-AF-0026
25. 200-AF-0035
26. 300-AF-0036
27. 200-AF-0037
28. 500-AF-0039
29. 300-AF-0040
30. 300-AF-0041
31. 300-AF-0043



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Arnold Fields, Inspector General

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July 9, 2010

Honorable Richard W. Moore  
Chair, Investigations Committee  
Council of the Inspectors General  
on Integrity and Efficiency (CIGIE)

I appreciate the opportunity to review your draft report on the Quality Assessment Review of the investigative operations of my office. I also thank you for the professionalism you and the peer review team exhibited during the conduct of this demanding and precedent-setting review. It is traditional for a newly established inspector general to operate three or more years before undergoing a CIGIE peer review. However, I requested early assistance to ensure that I am moving in the right direction. I believe the results of your assessment will provide that assistance as I build the investigative capacity of this organization.

As you are aware, the Investigations Directorate is relatively new. The Special Inspector General for Afghanistan Reconstruction (SIGAR) did not exist for the first six and a half years of the U.S. reconstruction effort in Afghanistan. Initial funding was inadequate and served only to create a limited support team and begin constructing the Audit Directorate. It wasn't until the summer of 2009 that SIGAR received adequate funding to begin fully staffing its directorates. Consequently, I have been behind the curve in building the capacity necessary to address my investigative mandate.

Upon the availability of funding, the directorate has grown from a staff of only two investigators in July 2009 to a team of 15 special agents, one trial attorney, and one investigative analyst. There are an additional six special agents and support staff selected and in the hiring process. I have hired senior investigators with an average of 28 years of federal law enforcement experience. Their expertise spans a broad spectrum of complex white collar crimes including contract fraud, procurement fraud, money laundering, and public corruption.

I am now in a stronger position to more effectively conduct my investigative work and respond to the results of the findings set forth in your report. I generally concur with those findings and have made remediation of identified shortcomings a top priority. My specific comments to your report are as follows:

**Finding 1 – Investigations Directorate Policies and Procedures**

SIGAR Policy Memorandum 10-2, documented at Section B of the SIGAR Special Agent Manual, reports the rationale of SIGAR's decision to formally adopt SIGIR policy (in the interim), as it



completed its evaluation, formulation, and implementation of official SIGAR policy.

Until July 2009, SIGAR investigators were hired by SIGIR and detailed to SIGAR. This arrangement advanced SIGAR's early effort to meet its investigative mandate. I believe it also supported the spirit of Congress' intent for the U.S. to benefit from its experience in Iraq by utilizing SIGIR's resources to facilitate the initial U.S. response to the oversight mission in Afghanistan. The intent of Congress regarding the use of personnel, facilities, and other resources of SIGIR is specifically evident in SIGAR's enabling legislation, the 2008 National Defense Authorization Act, Section 1229(h)(6), where Congress directed that:

Upon the request of the Inspector General [for Afghanistan], the Special Inspector General for Iraq Reconstruction –

(a) may detail, on a reimbursable basis, any of the personnel of the Office of the Special Inspector General for Iraq Reconstruction to the Office of the Inspector General for Afghanistan Reconstruction for the purpose of carrying out [SIGAR's mission]; and

(b) may provide, on a reimbursable basis, any of the facilities or *other resources* of the Office of the Special Inspector General for Iraq Reconstruction to the Office of the Inspector General for Afghanistan Reconstruction for the purpose of carrying out [SIGAR's mission]. [Emphasis added.]

In addition to the investigators hired by SIGIR and detailed to SIGAR, SIGIR's Assistant Inspector General for Investigations, Mr. Jon Novak, assisted the Inspector General in evaluating concerns relative to establishing the organization's investigative capacity. Thus, until July 2009, SIGAR's Investigations Directorate was organizationally linked to SIGIR and bound by SIGIR policy, rendering SIGAR's continued adherence to SIGIR policies subsequent to July 2009 reasonable and proper.

Policy Memorandum 10-2 also addresses the "Draft" watermark present on many of the SIGIR policies adopted by SIGAR. SIGAR's retention of the watermarks was not an oversight. SIGIR has not finalized its investigative policy, and the SIGAR manual reflects the most current version of SIGIR's investigative policy as of the official date of adoption. Given the similarities of SIGAR and SIGIR in organizational structure, mission, and mandate, SIGAR (in the interim) is utilizing the SIGIR policy drafts, as is SIGIR, as its formal investigative policy.

SIGAR has begun to draft independent investigative policies and guidelines to address its mission in Afghanistan. In light of the relatively early growth state of SIGAR's Investigative Directorate, hiring investigators and developing cases has been the highest priority. SIGAR is now in a position to focus on establishing its own policies. The policies will include implementation processes.

## Finding 2 – Qualifications of Investigators

In the summer of 2009, upon receiving adequate funding to establish its Investigations Directorate, SIGAR's greatest priority was to build investigative capacity through the strategic hiring of qualified, experienced investigators. SIGAR remained focused on that priority and steadily achieved its hiring

goals well before the peer review process began. All of SIGAR's 15 investigators are now academy-level trained, highly-experienced criminal investigators.

### Finding 3 – Refresher Training

All of SIGAR's on board investigators are experienced, career, federal law enforcement officers with current, mission-relevant expertise, and none have been employed with SIGAR beyond the period of one-year. SIGAR deemed it mission-critical to immediately employ the services of these newly hired investigators, while evaluating and implementing appropriate training policy. SIGAR has begun to draft training policy that provides for mandatory periodic refresher training in a number of law enforcement subject matter areas, including trial process; federal criminal and civil legal updates; interviewing techniques and policy; law of arrest, search, and seizure; and physical conditioning, and defensive tactics as required by the Attorney General Guidelines.

### Finding 4 – Firearms Training and Recertification

Investigators assigned to SIGAR headquarters in Arlington, Virginia have not been issued weapons and therefore are not currently required to meet firearms training certification standards. Prior to the issuance of weapons to headquarters investigators, SIGAR will be in compliance with the Attorney General Guidelines pertaining to training and recertification and will maintain the appropriate certification records. The six SIGAR investigators assigned to Afghanistan have been issued weapons and are in compliance with the training and recertification requirements. The certification records are maintained at the SIGAR office in Afghanistan by the Deputy Assistant Inspector General for Investigations.

The adopted SIGIR firearms and use of force policy provides the training required by the Attorney General Guidelines. Also, SIGAR has prepared a draft of an independent firearms and use of force policy mandating the required training.

### Finding 5 – Deadly Force Policy

SIGAR has adopted the Department of Justice deadly force policy. The SIGIR firearms and use of force policy adopted by SIGAR, and the draft of SIGAR's independent firearms and use of force policy, mandate deadly force training in accordance with the Attorney General Guidelines referenced in Finding 4. SIGAR provides instruction on the Department of Justice deadly force policy to every armed investigator during each Quarterly Firearms Qualifying (QFQ) session, during which the investigators are required to certify their receipt and review of the policy by signing a QFQ Deadly Force Review Sheet. These sheets are maintained at the SIGAR office in Afghanistan by the DAIG for Investigations.

### Finding 6 – Priorities and Objectives

During the initial period subject to review, SIGAR lacked an adopted, documented, agency-wide prioritization document specifying that individual case tasks are performed efficiently and effectively. This deficiency has been remedied and SIGAR is currently in full compliance with this requirement.

### Finding 7 – Planning Document

At the time of the onsite review, the Investigations Directorate had not adopted a strategic plan or other similar instrument to present the organization's goals, allocation of resources, budget guidance, performance measures, and guide for managers to implement these plans. Relevant excerpts from a working draft of the strategic plan were implemented in SIGAR's overall Five-Year Strategic Oversight Plan approved by the Inspector General in May 2010. The working draft of the Investigations Directorate plan is near finalization and implementation is anticipated by July 31.

### Findings 8 & 9 – Record Maintenance and Information Management System

As the peer review team noted, SIGAR is aggressively pursuing the identification of an electronic file management system. Implementing such a system is one of the Investigations Directorate's top priorities.

### Finding 10 – Case Files

As noted by the peer review team, SIGAR was in compliance with these requirements at the time of the onsite review.

Thank you again for taking the time and effort to conduct this peer evaluation.

Very respectfully,

A handwritten signature in black ink, appearing to read 'Arnold Fields', written over a horizontal line.

Arnold Fields, Inspector General  
Special Inspector General for Afghanistan Reconstruction